SYNOPSIS

GOVERNMENT TO BUSINESS-INTERACTION THROUGH E- GOVERNANCE IN KERALA

It is widely accepted that technology has always acted as a catalyst to development all through the progression of human society. Each phase of this progression has been conspicuous by a specific kind of technology, as plough was for agrarian phase, steam engine for industrial, in recent years Information and communication Technologies (ICTs) for the knowledge based society(ibid). Each of these technologies perform in specific socio-economic and political contexts as the agrarian technologies work in rural contexts, industrial technologies in the urban and national contexts, while ICTs in the global contexts irrespective of geographical differences. ICTs as the major components of knowledge society along with globalization have led to the emergence of a new wave of economy, culture, and politics across the world

Governments in Developed and Developing countries have been utilizing Information and Communication Technologies to bring about efficient and effective administrative systems and good governance. World, today is in a stage in which the applications of internet e-mail and allied technologies have reached the grass root level. It has experienced a paradigm shift in the policies of the government, not only because of the availability of the technologies but because of the ever experiencing dissatisfaction with the existing system of governance. A major section of the citizens even today have the experience that bureaucracy causes delay in implementing government decisions, increasing corruption, inefficiency on the part of government officials and the lack of accountability of the whole system. The history of political systems reveals that these maladies existed at every stage of the history of governance. It is also worth mentioning that there has been continuous effort for reform and reinvention aimed at the emergence of a fool proof system with a high amount of accountability. With the emergence of internet, e-mail, e-commerce, governments have started providing services to the citizens and businesses for improving its interface with its stake holders and bringing about efficiency and accountability. The globalization process and the emergence of good governance have also contributed to the deployment of ICT in delivering public services. The use and deployment of ICTs for administrative improvement of public services is termed as ‘’E-governance’’ and ‘’E- Government’’.

STATEMENT OF PROBLEM

In an effort to find out an efficient and flawless system of governance all the scientifically advanced countries have made use of the findings of Information Technology. In spite of extensive use of Information Technology, nobody resorts to think that it can solve all the problems which confront the establishment of good governance. However, the words of Noam Chomsky, one of the leading figures in Linguistics and political thought seems appropriate in this context. According to him "the internet could be a very positive step towards education, organization and participation in a meaningful society" (Brainy quote).

In India at several levels, experimentations in E-governance have been made. However, India has still not reached a stage to do away with traditional system of documentation. In spite of the challenges and drawbacks, E-governance has gone a long way in addressing the various maladies of Public Administration in India. The present study aims at an investigation of how far E-governance has made an impact in solving certain major setbacks in the traditional administrative system in Kerala related to Government to Business interaction. The study focuses mainly on the impact of the E-governance system in Commercial Tax Department on business community and bureaucracy. In this context it is worth mentioning that Kerala as a land of high literacy is a centre of experimentation in the administration of local bodies, education and training of the public. Kerala model has won wider acknowledgement in local administration, mass education and social welfare schemes. In E-governance also, the state has advanced much forward than other Indian states. In this context, a study of the success as well as failure of E- governance with particular reference to the experimentation made in Kerala seems much more relevant. A study as this has to take into consideration how the social development in the state to a certain extent has sidelined the economic development especially in the manufacturing sector. For the past few years the problems faced by new entrepreneurs especially from bureaucrats have drawn attention. The Commercial Tax Department which has direct link with business community is one of the major departments interacting with trading community for registration and collecting of sales tax. Before the introduction of E-governance in Commercial Tax Department, there had been many complaints on the department on charges of corruption, inefficiency and lack of accountability. The officials have also been put into trouble in dealing with the business community.

The study also aims at analyzing the responses and reactions of business community and bureaucracy in a pre and post E-governance context. Another significant part of the study is the impact of newly introduced ICT based system on business community and bureaucracy in creating a congenial atmosphere of efficient and accountable governance.

SIGNIFICANCE OF THE STUDY

We know well that developments in science and technology, down the ages have brought about qualitative change in every area of human activity. The developments in IT which has made hitherto unknown and unexperinced changes in every walk of human life has naturally made significant transformations in public administration which has been suffering from inefficiency, corruption, red tapism ,lack of accountability and transparency and lack of stake holder participation. The need for E-governance is ever increasing with the rapid advancement of ICT. It is also worth mentioning that the emergence of ICT has led the way for E-governance applications. Various national as well as transnational forums like World Information Society (WSIS), United Nations Agencies focus mainly on ensuring the benefits of the development of IT to its citizens not just through civil society intervention, but through improved governance. Across the world Governments have been utilizing ICTs in the form of internet, websites, computer applications and communications through mobile phones in delivering services to the citizens. There is an increased use of ICT in areas such as display of information pertaining to government service provisions, citizen feedback (complaints, and criticisms) about government policies and performance, payment of taxes, and renewal of licenses. E-governance has the capability of addressing several issues related to public administration and service delivery like accessibility, equity, responsiveness, transparency, participation and corruption etc. These are some of the significant values of good governance.

Kerala as one of the progressive states in the country in terms of social development has also been one of the front running states in implementing E-governance projects. Kerala has successfully implemented Electronic governance and some of the projects like Akshaya have been aimed at bridging digital divide and improved service delivery. Despite the high literacy rate, Kerala has been suffering from widespread corruption. E-governance has, to a significant, extent been able to cope with evils of corruption and lack of transparency in public administration. Most of the E-governance projects in Kerala are G2C (Government to Citizen)

and G2G (Government to Government). The G2B (Government to Business) services are sidelined to a great extent thereby neglecting the business community. One significant G2B project in Kerala is the KVATIS(Kerala Value Added Tax Information System) of the Commercial Tax Department. After introducing KVATIS a noticeable change has been apparent among the trading community and bureaucracy. Therefore, a study of E-governance aimed at improving service delivery and governance to business community is found to be significant.

OBJECTIVES OF THE STUDY

1. To analyze the conceptual and historical roots of E-governance in the framework of good governance.
2. To study the awareness and usage of E-governance by the business community.
3. To identify the user perception on E-governance.
4. To analyze the impact of E-governance system on the business community in cutting down costs, improving governance and increasing quality of services.
5. To study the impact of E-governance system on the employees of the Government Department in reducing costs, improving revenue, improving governance, facilitating better services to the clients and in improving the work ambience among the employees. For this purpose the Commercial Tax Department of Kerala is studied.
6. To make appropriate suggestions regarding policies.

HYPOTHESES

The study has formulated the following Hypotheses:-

1. The awareness of the Business community on E-governance is very high.
2. Majority of Business community have a positive attitude towards the utility of E-governance on society and they believe that digital divide is one of the bottlenecks to the path of E-governance.
3. The E-governance has a significant impact on business community particularly in tiding over corruption, bringing transparency, inculcating efficiency and in realizing other good governance attributes.
4. The impact of E-governance on middle level employees of Commercial Tax Department has not been significant.

METHODOLOGY

The study has been conducted in Ernakulam and Kottayam districts of Kerala. The study has done an empirical analysis of the impact of KVATIS on the trading community and middle level employees of Commercial Tax Department of Kerala. The size of the sample is 175, consisting of 125 trading community and 50 employees of the department. The schedule was designed by adopting from a study conducted by Gulati Institute of Finance and Taxation, Thiruvananthpuram on the impact of KVATIS in various districts of the state. Pilot study was also conducted in order to sharpen research tools. The impact of E-governance has been analyzed by evaluating variables of good governance such as transparency, accountability, efficiency, participation, cost reduction, efficiency and quality of services. The data collected has been analyszed by using SPSS 16th Version. In addition to empirical analysis, secondary documents have also been analyzed for conceptual and theoretical clarity.

PLAN OF WORK

The thesis has been divided in five chapters. The first chapter is an introductory part of the thesis. It explains the significance of the theme and problem statement. It also tries to elucidate the concept of E-governance and certain challenges to E-governance. A detailed review of literature has been provided to formulate research goals of the study. Hypotheses, methodology, scheme of chapters are also part of the above chapter.

The second chapter titled “Theoretical dimensions of E-governance” seeks to bring out the conceptual root of E-governance. It has been discussed in the context of good governance. The concept of good governance is analyzed by taking into consideration different dimensions of good governance and historical evolution of the concept. Later E-governance has been discussed in detail by tracing the historical, conceptual aspect of the concept. E-governance in developed and developing countries has also been analyzed in detail. E-governance in the Indian scenario and some of the significant E-governance projects in India have been highlighted in the chapter.

The third chapter is on “E-governance projects in Kerala’’ focused on the evolution of ICT in Kerala and growth of E-governance in the state. Significant Information Technology Acts are debated. Comprehensive evaluations of E-governance projects in Kerala and institutions which are instrumental in implementing E-governance are presented in an empirical manner.

The fourth chapter is the core of the study. This is an analysis of the theme under study. The Government to Business Interaction through E-governance (G2B) in Kerala by taking Commercial Tax Department as a case point has been analyzed by an empirical way. The impact of E-governance on traders and officials are discussed by assessing various attributes of good governance.

The fifth chapter contains summary of issues discussed in theoretical chapters and major findings and policy recommendations.

FINDINGS OF THE STUDY

1. There is a higher level of awareness on E-governance than in previous years among citizens and business people of Kerala.
2. Even though Kerala has achieved significant progress in ICT infrastructure and E-governance, the Digital divide is still an area of concern.
3. The business community believes in the utility and capability of E-governance projects in creating an atmosphere of good governance in the country.
4. The business community has been benefitted significantly by the introduction of E-governance in terms of improvement in the governing process such as transparency, accountability, efficiency, responsiveness and better delivery of services. The study on the Commercial Tax Department of Kerala bears testimony to the above finding.
5. The E-governance system has a positive impact on employees of the Department in terms of efficiency, transparency, accountability, services and employee perspectives.
6. The Government should take concrete steps to bridge the digital divide and address the infrastructural bottlenecks which affect the smooth process of E-governance.